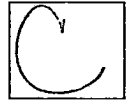


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01752A
Clearwater Utilities Company, Inc.
20441 West Cheyenne
Buckeye, AZ 85326

RECEIVED
APR 10 2007
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
----	----	------

FOR COMMISSION USE

ANN 04	06
--------	----

PROCESSED BY:

4-11-07 RA

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Clearwater Utilities Co</u>		
Mailing Address <u>20441 W. Cheyenne Rd.</u>		
<u>Buckeye</u> (City)	<u>AZ</u> (State)	<u>85326</u> (Zip)
<u>623-386-4096</u> Telephone No. (Include Area Code)	<u>623-386-7334</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address <u>CLwater1@aol.com</u>		
Local Office Mailing Address <u>Same as above</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Paul B. Guerin</u> <u>Pres.</u>		
<u>7730 N. 2nd Ave</u> (Street)	<u>Phoenix</u> (City)	<u>AZ 85021</u> (State) (Zip)
<u>602-943-9794</u> Telephone No. (Include Area Code)	<u>602-595-1527</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
On Site Manager: _____		
 (Street)	 (City)	 (State) (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Paul B. Guerin
 (Name)
7730 N. 2nd Ave Phoenix AZ 85326
 (Street) (City) (State) (Zip)
602-943-9794 602-595-1527
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)
 Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

Company Name: Clearwater Utilities Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization	\$ -	\$ -	\$ -
302	Franchises	-	-	-
303	Land & Land Rights	2,814	-	2,814
304	Structures & Improvements	21,485	15,116	6,369
307	Wells & Springs	29,110	11,798	17,312
311	Pumping Equipment	50,379	39,532	10,847
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs & Standpipes	257,951	67,031	190,920
331	Transmission & Distrib. Mains	14,507	1,911	12,596
333	Services	33,727	16,774	16,953
334	Meters & Meter Installations	225,998	88,203	137,795
335	Hydrants	1,997	392	1,605
336	Backflow Prevention Devices	-	-	-
339	Other Plant & Misc Equipment	-	-	-
340	Office Furniture & Equipment	37,086	32,504	4,582
340.1	Computers & Software	4,403	1,432	2,971
341	Transportation Equipment	52,336	25,636	26,700
343	Tools, Shop & Garage Equip.	11,528	1,637	9,891
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	11,894	595	11,299
346	Communications Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	896	348	548
	TOTALS	\$ 756,111	\$ 302,910	\$ 453,202

This amount goes on the Balance Sheet Acct. No. 108

Company Name: Clearwater Utilities Company, Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1X2)
301	Organization	\$ -		\$ -
302	Franchises	\$ -		\$ -
303	Land & Land Rights	\$ 2,814	N/A	\$ -
304	Structures & Improvements	\$ 21,485	3.33%	\$ 715
307	Wells & Springs	\$ 29,110	3.33%	\$ 969
311	Pumping Equipment	\$ 50,379	12.5000%	\$ 5,828
320	Water Treatment Equipment	\$ -	3.33%	\$ -
330	Distribution Reservoirs & Standpipes	\$ 257,951	2.2200%	\$ 5,727
331	Transmission & Distrib. Mains	\$ 14,507	2.0000%	\$ 290
333	Services	\$ 33,727	3.33%	\$ 1,123
334	Meters & Meter Installations	\$ 225,998	8.3300%	\$ 15,675
335	Hydrants	\$ 1,997	2.0000%	\$ 40
336	Backflow Prevention Devices	\$ -	6.6700%	\$ -
339	Other Plant & Misc Equipment	\$ -	6.6700%	\$ -
340	Office Furniture & Equipment	\$ 37,086	6.6700%	\$ 2,369
340.1	Computers & Software	\$ 4,403	33.3300%	\$ 734
341	Transportation Equipment	\$ 52,336	20.0000%	\$ 10,467
343	Tools, Shop & Garage Equip.	\$ 11,528	5.0000%	\$ 307
344	Laboratory Equipment	\$ -	10.0000%	\$ -
345	Power Operated Equipment	\$ 11,894	5.0000%	\$ 595
346	Communications Equipment	\$ -	10.0000%	\$ -
347	Miscellaneous Equipment	\$ -	10.0000%	\$ -
348	Other Tangible Plant	\$ 896	10.0000%	\$ 90
	TOTALS	\$ 756,111		\$ 44,930
	CIAC Amortization - Water Line	\$ 3,000	2.0000%	\$ (60)
	CIAC Amortization - Tank	\$ 50,000	2.2200%	\$ (1,110)
Actual Depreciation Expense				\$ 43,760

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

Company Name: Clearwater Utilities Company, Inc.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 125,403	\$ 225,912
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 14,901	\$ 4,104
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 140,304	\$ 230,016
	FIXED ASSETS		
101	Utility Plant in Service	\$ 697,907	\$ 756,111
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	\$ 257,981	\$ 302,910
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 439,926	\$ 453,202
	TOTAL ASSETS	\$ 580,230	\$ 683,218

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

Company Name: Clearwater Utilities Company, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 2,819	\$ 12,364
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$ 57,431	\$ 60,755
236	Accrued Taxes	\$ 27,995	\$ 2,417
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 88,245	\$ 75,536
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 168,086	\$ 178,150
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	\$ 53,000	\$ 53,000
272	Less: Amortization of contributions	\$ (2,710)	\$ (3,880)
281	Accumulated Deferred Income Tax		\$ 69,078
	TOTAL DEFERRED CREDITS	\$ 218,376	\$ 296,348
	TOTAL LIABILITIES	\$ 306,621	\$ 371,884
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 15,000	\$ 15,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	\$ 258,609	\$ 296,334
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 273,609	\$ 311,334
	TOTAL LIABILITIES AND CAPITAL	\$ 580,230	\$ 683,218

Company Name: Clearwater Utilities Company, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 420,697	\$ 425,836
460	Unmetered Water Revenue	15	
474	Other Water Revenues	101,991	125,231
	TOTAL REVENUES	\$ 522,703	\$ 551,067
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 196,943	\$ 197,077
610	Purchased Water	3,035	484
615	Purchased Power	29,084	31,844
618	Chemicals		
620	Repairs and Maintenance	18,757	10,219
621	Office Supplies & Expense	22,618	22,148
630	Outside Services	7,640	11,278
635	Water Testing	4,410	4,721
641	Rents	5,500	7,500
650	Transportation Expenses	22,604	14,917
657	Insurance - General Liability	13,418	14,235
659	Insurance - Health and Life	13,746	17,284
666	Regulatory Commsn Exp-Rate Case		
675	Miscellaneous Expense	11,355	10,697
403	Depreciation Expense	39,611	43,760
408	Taxes Other Than Income	18,222	16,588
408.11	Property Taxes	17,174	29,301
409	Income Tax	27,002	15,792
	TOTAL OPERATING EXPENSES	\$ 451,119	\$ 447,845
	OPERATING INCOME/(LOSS)	\$ 71,584	\$ 103,222
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 1,810	\$ 5,335
421	Non-Utility Income		-
426	Miscellaneous Non-Utility Exp		-
427	Interest Expense		-
	TOTAL OTHER INCOME/(EXPENSE)	\$ 1,810	\$ 5,335
	NET INCOME/(LOSS)	\$ 73,394	\$ 108,557

COMPANY NAME

Clearwater Utilities Co, Inc

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 178,150

Meter Deposits Refunded During the Test Year

\$ 27,955

COMPANY NAME	Clearwater Utilities CO, INC
Name of System	ADEQ Public Water System Number (if applicable) 07-019

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
611624	15	475	370	8"	4"	1972
611625	15	175	400	10"	4"	
517731	7.5	100	300	8"	4"	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
water main - P. GUERIN	110	1,489

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30 Hp (owned)	3	22	
25 Hp (Leased)	2		
15 Hp (owned)	2		
25 Hp (owned)	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250 K gal (owned)	2	10 K (owned)	1
100 K (owned)	2	15 K (owned)	2
100 K (Leased)	2	10 K (Leased)	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Clearwater utilities CO. Inc.
Name of System	ADEQ Public Water System Number (if applicable) 07-019

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	AC	400
5		
6	AC	23.75 miles
8	AC	6.65 miles
10		
12		
6	PVC	3 miles
8	PVC	25 miles

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	788
1 1/2	
2	2
Comp. 3	
Turbo 3	3
Comp. 4	
Tubo 4	3
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

meter shop.

OTHER:

2,000 feet of 6' Fence w/ Razor ribbon.

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Clearwater Utilities Co. Inc
Name of System	ADEQ Public Water System Number (if applicable) 07-019

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	752	8,155	8,482	356
FEBRUARY	749	10,050	10,130	670
MARCH	753	7,994	8,281	444
APRIL	758	11,493	11,969	0
MAY	761	14,109	14,685	1
JUNE	769	18,408	19,239	1
JULY	774	16,768	17,421	1
AUGUST	773	18,280	19,117	1
SEPTEMBER	781	14,978	15,726	1
OCTOBER	784	13,854	14,715	19
NOVEMBER	785	12,614	13,372	0
DECEMBER	788	9,366	10,309	0
TOTALS →		156,069	163,446	1,489

What is the level of arsenic for each well on your system? _____ mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

() Yes () No no treatment

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

55-611625-C (1-2) 19 ACC - 6.5

55-611624-C (1-2) 18 DAB - 3.6

55-512731-C (1-2) 16 BCA - 9.9

COMPANY NAME Clearwater Utilities Co YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 29,301

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

2006 CORP COMMY
Clearwater Utilities

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Paul B. Guerin Pres.</u>
COMPANY NAME	<u>Clearwater Utilities Co. Inc</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

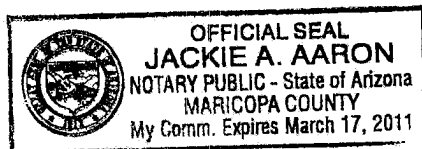
MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



Paul B. Guerin
SIGNATURE OF OWNER OR OFFICIAL
623-386-4096
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

9th

DAY OF

(SEAL)

MY COMMISSION EXPIRES 3-17-2011

COUNTY NAME	<u>maricopa</u>
MONTH	<u>April 9</u>
	<u>.2007</u>

Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Clearwater Utilities Co YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

10,144
10,144

5,648
5,648

0
0
0

Form 1120
has been
extended
amts are
not final

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Paul B. Guerin
SIGNATURE

4-9-07
DATE

Paul B. Guerin
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Paul B. Guerin Pres.</u>
COMPANY NAME	<u>Clearwater Utilities Co. Inc</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

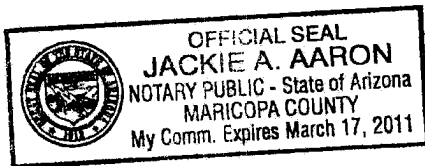
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 580,549

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 29,482
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Paul B. Guerin
SIGNATURE OF OWNER OR OFFICIAL
623-386-4096
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

9th

DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2007</u>

(SEAL)

Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 3-17-2011

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Maricopa	
NAME (OWNER OR OFFICIAL)	Paul B. Guerin	TITLE President
COMPANY NAME	Clear Water Utilities Co, INC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 521,667

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 25,625
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Paul B. Guerin
SIGNATURE OF OWNER OR OFFICIAL

623-386-4096
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

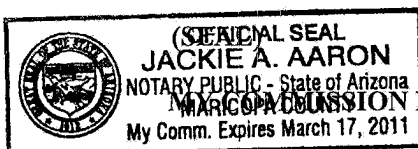
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

9th

DAY OF

NOTARY PUBLIC NAME	Jackie A. Aaron	
COUNTY NAME	Maricopa	
MONTH	April	2007



EXPIRES

3/17/2011

Jackie A. Aaron
SIGNATURE OF NOTARY PUBLIC